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JANUARY 14, 1963

Rhodesia's Tobacco Industry

Highlights of World Farm
Output, 1962-63

West Germany, Bigger Poultry
Market for All



FOREIGN AGRICULTURE

Including **FOREIGN CROPS AND MARKETS**

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

JANUARY 14, 1963
VOLUME 1 • NUMBER 2



Rhodesian Tobacco

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Foreign Agriculture is published weekly by the Foreign Agricultural Service, United States Department of Agriculture, Washington 25, D. C. Use of funds for printing this publication has been approved by the Director of the Bureau of the Budget (December 22, 1962). Yearly subscription rate is \$5.50, domestic, \$8.00, foreign; single copies are 15 cents. Orders should be sent to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.



In a well-lit Salisbury warehouse buyers examine opened "sheets" of leaf at left. The bags are then resewn, for delivery as ticketed.



Rhodesia's Tobacco Industry —it's young and aggressive

By HUGH C. KIGER

Tobacco Division, Foreign Agricultural Service

Good soil and climate, aggressive leadership, and assured markets have—in a few decades—combined to make the production and export of flue-cured tobacco by the Federation of Rhodesia-Nyasaland second only to that of the 350-year-old U.S. tobacco industry.

Rhodesian farmers began to cultivate tobacco about 70 years ago, soon after the first pioneer expedition of Europeans had entered the country. The country's first exports of tobacco occurred about 1911 and were quite small. U.S. exports that year were 350 million pounds.

At the beginning of World War II, the United States was still the dominant figure in the world tobacco trade. U.S. tobacco exports during 1935-39 averaged 421 million pounds; those of Rhodesia had by now risen to 33 million.

At war's end, lack of foreign exchange forced the United Kingdom, the world's largest tobacco importer, to reduce its takings of U.S. leaf. The U.S. share in the U.K. market dropped from three-fourths to about one-half. Rhodesia, because it could do business with the United Kingdom and other Commonwealth countries on a reciprocal basis, promptly took advantage of the new opportunity. Its tobacco acreage and yield were stepped up and by 1947-51, Rhodesian tobacco exports had tripled. Today, Rhodesia's exports have reached 200 million pounds a year; its registered flue-cured growers number 3,100.

The Federation's tobacco exports are now second in value only to the area's great mineral wealth and play a very important part in the country's economy. In 1961, the \$118 million brought in by tobacco was nearly three-fourths of the value of all agricultural exports.

Over 95 percent of the Federation's tobacco is exported, which makes the industry dependent to an unusually high

degree upon the maintenance of a high level of exports. The government, therefore, attempts to guarantee markets through bilateral trade arrangements. The principal agreement is with the United Kingdom, followed by Australia, the Republic of South Africa, and Japan. Between them, these markets absorb approximately 60 percent of the Federation's tobacco exports, though rising production in South Africa is cutting its tobacco imports from Rhodesia.

Trade commissioners are especially assigned to the job of finding new markets and have full power to negotiate actual sales contracts with foreign buyers. There is an excellent trade association and promotion council. Because of this synchronized sales effort by both government and the industry itself, Rhodesia now boasts that its tobacco is sold in every country where American tobacco is sold.

Four tobacco types

Flue-cured makes up by far the bulk of the Federation's production. It is grown almost entirely in Southern Rhodesia, on about 3,000 large estates whose average size is around 75 acres. (In the United States, there are about 200,000 allotments, with about 3.5 to 4 acres per farm in flue-cured.)

Turkish (oriental type tobacco) has been grown in both Northern and Southern Rhodesia since the early days of white settlement. Wartime output reached about 6 million pounds a year, but since then has rarely gone over a million pounds. This is largely because returns are lower than for flue-cured, and its culture makes heavy demands on labor. About 20 million pounds of fire-cured are grown in Nyasaland, mainly by the natives.

Burley has begun to arouse considerable enthusiasm as a complementary crop to flue-cured because of the growing world demand for burley as an ingredient in the

American-type blended cigarette. A number of flue-cured growers in Southern Rhodesia had trial acreages of burley last year, and a 250,000-pound experimental crop was estimated. To date, most burley production in the Federation has been in Northern Rhodesia and Nyasaland, largely under the direction or control of European farmers.

Although the quality of Rhodesia's tobacco is increasingly growing in stature, the tobacco's strongest selling point has always been its low price. In 1961, the average export price of Rhodesian flue-cured was 59 cents a pound—U.S. tobacco cost 79 cents a pound. In addition, although Rhodesia's better-quality leaf is only slightly less expensive than U.S. leaf, most of it goes to the United Kingdom where it enjoys a 21-cent Commonwealth preference. With much of Rhodesia's tobacco sold under Commonwealth protection, the remainder can be sold at bargain prices.

Rising production costs

Rhodesia has been able to keep its tobacco prices low primarily because of the availability of cheap labor. African natives are paid much less than what is paid U.S. workers. However, the cost of African native labor is likely to go up. The majority of African workers, too, live on the farms where they receive housing, medical services, and food in addition to their wages.

Probably the biggest disadvantage of this type of labor is that most of the Africans have never before been out of their native villages and require a high degree of supervision. Some effort is being made to train African supervisory personnel, but so far, most supervisors are European and in rather short supply. Mechanization is increasing.

In an effort to reduce production costs, the Rhodesia Tobacco Association spent \$70,000 to retain a firm of production consultants to study, record, and analyze in minute detail every tobacco operation, from seedbed preparation to baling the cured leaf for sale. The resultant manual has become the "Bible" of the more progressive tobacco farmers. Without touting any particular method, it shows the farmer how he can make the best use of his farm, its layout, its buildings, and equipment. It has proved to many farmers that sound organization pays off; some claim as high as 50- to 60-percent savings in operations man-hours.

Emphasis on quality

Both government and the industry are bearing down on quality. The Federal Ministry of Agriculture has extension people in all tobacco-growing areas who work directly with the farmers. The two principal research stations, whose work is financed by an assessment on leaf sold at the auction markets, devote a large part of their efforts to breeding and variety testing.

Distribution and use of seeds are rigidly controlled, and only certain varieties are prescribed. The "eligible" list now numbers 11 varieties. Three new ones were added last year; others were dropped.

In quality, Rhodesian leaf tobacco has been excelled only by that of the United States and Canada. Rhodesian flue-cured probably excels many of its competitors in color characteristics, but in body and flavor—prerequisites in

quality markets like the United Kingdom, Australia, New Zealand, and Ireland—U.S. leaf is preferred. Rhodesian leaf makes a fairly neutral smoke and is customarily combined with more favorable tobacco.

To get the quality desired by the United Kingdom, Rhodesian growers usually top their leaf in the bud stage, rather than later as U.S. producers do. A recent trend has been the development of a lighter, fluffier, fully ripe, mild tobacco to meet growing demand for a leaf with a low percentage of nicotine and less body.

Marketing procedures, too, have been set up purely on a please-the-customer basis. Prior to being offered for sale, the leaf has been carefully graded on the farm or in commercial grading sheds. It is then tied in bundles and neatly packed in hessian-covered bales, which are lined with water-proof paper.

Furthermore, all flue-cured is sold through three huge, privately owned and competitive, loose-leaf auction warehouses in Salisbury, Southern Rhodesia, between March and September. The warehouses are modern buildings which are clean, well lighted, and equipped with good facilities. The auction sale itself is very similar to those conducted in the United States. In fact, many of the auctioneers have worked at U.S. sales for numerous seasons before working in Rhodesia.

Tempered optimism

The Rhodesian tobacco grower has worked hard and effectively with the materials at hand: namely, soil, climate, plentiful labor, and a highly concerned government. He intends to do even better. His major problems arise from things over which he has no control: namely, political unrest in Rhodesias-Nyasaland and the Federation's future position vis-à-vis the Common Market.

Rising nationalism among the Federation's 6.6 million Africans is leading to increasing agitation for dismemberment of the three-country Federation. Doubt as to the Federation's ability to weather the crisis has stifled most foreign investment in the country at present.

Anxiety about the Federation's political future, however, is more than allayed by rosy dreams of a future in which Rhodesia will have achieved some sort of associated overseas territory status and its tobacco will have duty-free access to tobacco-deficit Common Market countries. Rhodesian tobacco growers calculate the industry might be required to almost double its present flue-cured output.

The industry is allowing neither nightmare nor dream to halt progress toward its goal of new export outlets in the Middle and Far East, in southeast Asia, India, Pakistan, and Ceylon. The rationale is that in the long run these countries cannot afford to devote to tobacco the land needed to feed rapidly growing populations.

Perhaps a more objective viewpoint would be that Rhodesia is unlikely to make future gains in the export market comparable to those of recent years. Inhibitory factors include rising wage scales and production costs which are leading to higher export prices, and the possible decline or loss of Commonwealth preferences. Added to these are an unstable political situation and increasing competition from other world tobacco exporters.

Highlights of World Farm Output

World agricultural output for crop year 1962-63 is forecast at about 3 per cent above that of 1961-62. This increase is slightly greater than the expected growth in population but below the rise in world industrial output.

Major increases are expected for bread grains, rice, cotton, and tobacco. Most animal products will show some increase, and so will fruits. Sugar and wool should register little change. There are major declines in some of the vegetable oils, and coffee and jute crops, although large, will be down considerably from the previous year.

Grains

Wheat production is forecast at 8.5 billion bushels, or about 625 million above the 1961-62 crop. Largely responsible for this increase is Western Europe's output—625 million bushels over the previous year's. Except for Eastern Europe, all other areas are reported to show sizable gains too.

Rye, after 2 years of below-average harvests, is estimated at 1,350 million bushels. A bumper crop in the United States brought North American production to the highest level since 1948.

Rough *rice*, forecast at 153.2 million metric tons(excluding Communist China and the USSR), is 22 million tons above the average for the 5 years ending 1959-60. The largest gain was in Egypt. The United States has a 10-percent increase in acreage and record yields per acre.

World production of *feed grains*, on a combined tonnage basis, may be about the same as it was in 1961-62, with a larger barley crop offsetting smaller harvests of corn and oats. The increase in barley is general throughout the Northern Hemisphere but the oats drop-off occurred mainly in the Soviet Union.

Vegetable oils

The world's output of *vegetable oils* in calendar year 1963 will be approximately 18.1 million metric tons—a

new record, though only slightly above the 1962 peak.

Soybean, peanut, cottonseed, sunflower seed, and sesame oils are expected to gain, but this gain will probably be offset by a sizable drop in olive oil and a minor one in rapeseed oil. The increase of greatest significance will be a 3-percent rise in soybean oil output, largely because of record U.S. supplies.

Palm oil production is expected to recover a portion of the reduction that occurred in 1962. A 1-percent increase in the production of *industrial oils* is anticipated because of a larger outturn of linseed oil as the result of bigger flaxseed crops in the United States, Canada, and Argentina.

Fruits, nuts, and vegetables

Until the December freeze in Florida, 1962-63 *citrus* production was at record levels in most of the important producing countries, with extensive new plantings indicating a continued upward trend in world production.

Deciduous fruits in 1962 increased slightly over 1961's relatively small crops, with increases in all European countries. World production of canned deciduous fruits in 1962 was the heaviest on record.

The 1962-63 world production of *prunes* and *raisins* is large and competitively priced. In the United States, however, the 1962 prune pack, while above 1961, is somewhat below average, and raisin supplies are limited.

Almond production in 1962 was the smallest since 1958, whereas *filbert* output was the largest in 6 years. *Walnut* output was above the 1961 crop—as well as above average.

Potatoes in the major producing countries dropped slightly from 1961. Western Europe's short crop was about 10 percent below the 1951-55 average. Production was also lower in Eastern Europe and South America.

Bean production was down sharply in Western Europe—the world's largest bean-importing market—because of small acreage and adverse weather. And as a result of food shortages behind the Iron Curtain and the demand

INDICES OF WORLD AGRICULTURAL PRODUCTION, TOTAL AND PER CAPITA, BY REGIONS, AVERAGE 1935-39 AND ANNUAL 1959-60 to 1962-63¹

[Average 1952-53 to 1954-55 = 100]

Region	Total					Per capita				
	Average 1935-39	1959-60	1960-61	Preliminary 1961-62	Forecast 1962-63	Average 1935-39	1959-60	1960-61	Preliminary 1961-62	Forecast 1962-63
Canada	68	98	105	86	114	92	83	87	70	91
United States	69	111	114	115	115	85	100	101	100	99
Latin America	72	126	126	130	129	103	107	104	104	101
Western Europe	81	112	119	117	121	92	107	112	110	113
Eastern Europe	106	128	127	128	128	107	118	115	115	113
Soviet Union	100	129	126	130	131	101	117	112	114	113
Other E. Europe.....	119	127	129	126	122	120	120	121	118	113
Far East ²	88	122	127	131	133	110	108	110	111	111
Western Asia	69	121	121	124	129	97	103	100	99	101
Africa	80	120	125	120	128	107	105	107	101	105
Oceania ³	78	121	125	127	132	103	105	107	107	109
World ⁴	85	118	120	120	124	102	105	105	104	105

¹ Value of production at constant prices. Crops included in the index are harvested mainly between July 1 of the first year shown and June of the following year. For a few crops and most livestock production, estimates are for the calendar year of the first year shown.
² Excluding Communist Asia. ³ Australia and New Zealand. ⁴ Including estimates for Communist Asia.

for beans in Cuba, few Balkan beans will be available for export to Western Europe this year. Preliminary information from Latin America indicates that there are good bean crops in Venezuela, Central America, and Mexico.

Livestock and livestock products

In 1962 the postwar uptrend in livestock numbers and the production of meat and meat products continued. *Cattle* numbers totaled 1,035 million head, up 20 million from the previous year. *Hog* numbers reached a record high of 483 million, 4 percent higher than the year before, but *sheep*, at 990 million, were just 1 million below the peak reached in 1960.

In 41 of the major producing countries, excluding Communist China, *meat production* reached a new record in 1962 of about 105 billion pounds.

World *lard* output rose to about 8.4 billion pounds in 1962, up slightly from 1961. The United States continued to be the world's leading producer and exporter, with slight gains in output. Gains also were recorded in Western Europe, Eastern Europe, and the USSR. A further production increase is expected in 1963.

World *tallow* and *grease* production totaled 7.6 billion pounds in 1962, slightly higher than in 1961 because of record output in the United States and the USSR. Here too the United States continued to be the world's major producer, accounting for over half of world output.

Dairy products and poultry

Estimated at 687 million pounds for 1962, *cows' milk* showed a 1-percent rise over the 1961 figure. There were minor declines in Denmark, France, Italy, and East Germany, which were more than offset by moderate increases among other large producing countries. A further increase is expected this year.

Of the manufactured dairy products, *butter*, estimated at 5.55 million pounds, is up 3 percent from 1961. Output of both *cheese* and *nonfat dry milk* is expected to expand, and that of *canned milk* and *dry whole milk* to decline.

Egg and *poultry* production in 1962 continued the upward trend of recent years. Increases in egg production were scattered throughout the world. The highly industrialized countries of Western Europe boosted their output of poultry meat, but in North America it was down slightly, for the first time since 1955. Fewer turkeys in both the United States and Canada were responsible.

Sugar, beverages, and tobacco

The 1962-63 world production of centrifugal *sugar* is estimated at 56.2 million short tons, compared with 56.0 million the preceding season, with most of the decline in Cuba and Europe.

Coffee production for the marketing year beginning October 1962 is estimated at 65.9 million bags, 7.4 percent below the large crop of 1961-62. Exportable coffee is expected to be 6 million bags above import requirements, which will cause a further accumulation of coffee surpluses and continued marketing problems.

The 1962-63 *cocoa* crop is estimated at a record 2.8 billion pounds, 7 percent above the record for 1960-61. As a result of several successive large crops, world sup-

plies have mounted and prices have declined.

The *tea* crop for 1962 at 2,255 million pounds is also up—2.5 percent over 1961. Production has increased in all the major tea countries in recent years, and though Asia is still the largest producing area, the most significant increase has occurred in Africa.

World production of *hops* appears to be starting another upward swing after sharp declines in the last 2 years caused by overproduction. The estimated figure for 1962-63 has been set at 169 million pounds. Some of this rise took place in the United States.

World production of *tobacco* set a record in 1962: 9.1 billion pounds compared with about 8.7 billion in 1961. Flue-cured was at an all-time high of 3.5 billion pounds, and oriental totaled 1.1 billion. The U.S. flue-cured crop of 1.4 billion pounds was over 100 million above 1961.

Fibers

Highlighting the world *cotton* situation in 1962-63 is another record production likely to result in the first increase in world stocks since 1955-56—that is, if world consumption remains unchanged, as expected. Estimated at 49.2 million bales, the crop is up 1 million from a year earlier. Free World output is expected to reach 20.6 million bales, that of the Communist countries, 14 million.

At 5.7 billion pounds, the 1962 *wool* production is about the same as it was the previous year.

A 10-percent drop in *jute* brings the 1962-63 crop to around 5 billion pounds. Decreases were reported in Pakistan and India which produce 96 percent of the world supply, while Burma and Thailand had bigger harvests.

The 1962 world *sisal* crop of 1,278 million pounds was 7 percent below that of the preceding year, while exportable production of *abaca* at 222 million pounds was above the exceptionally low total in 1961. *Henequen* output in 1962 declined to 357 million pounds, or 16 million under 1961, principally because of lowered Mexican production.

This article is excerpted from The 1963 World Agricultural Situation, which may be obtained by writing to the Division of Information, Agricultural Economics, U.S. Department of Agriculture, Washington 25, D.C.

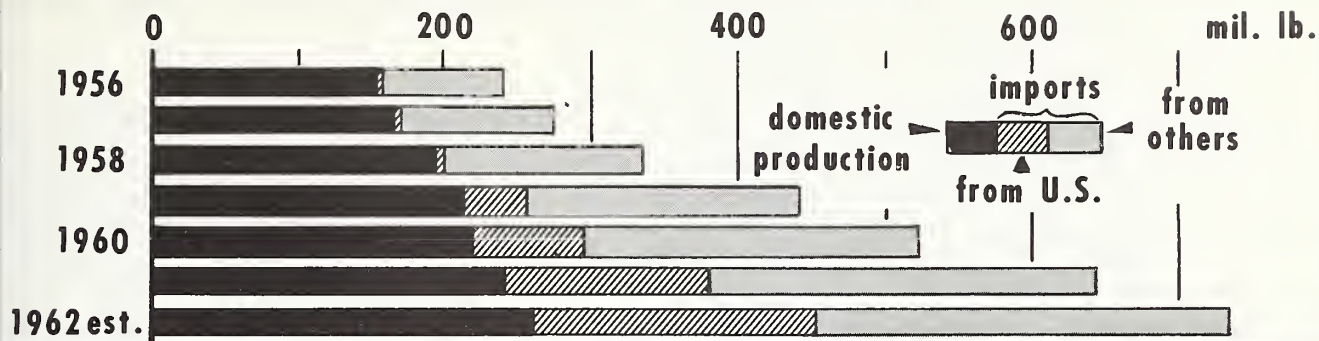
FAS Reading Room Open to Public

A reading room in the South Building, Department of Agriculture, is presently being maintained for the use of the trade and general visitors interested in reviewing U.S. agricultural attache dispatches. These timely, up-to-date accounts of developments in foreign agriculture arrive in Washington daily from our agricultural attaches stationed in 59 countries around the world.

The public is invited to visit Room 4085 South Building, 14th and Independence Ave., S.W., in Washington, D.C. A table in this room is set aside for the use of visitors, who may either make penciled notes or record the information sought by bringing portable dictating equipment.

West Germany—Bigger Poultry Market for All

SOURCES OF WEST GERMANY'S POULTRY CONSUMPTION



One of the most important developments in the world's poultry industry during recent years has been the emergence of West Germany as by far the leading importer of poultry meat. This, in fact, can be viewed as a noteworthy example of what can happen to poultry consumption in any prosperous developed country, providing no artificial barriers, such as quotas and highly restrictive duties, are imposed.

For many years West Germany's economy has been booming. Per capita incomes have been rising, employment has been full, and there has been a pronounced improvement in the standard of living every year.

Consumer demand for all types of food has been going up, especially for beef, veal, and pork. However, per capita supplies of these red meats have increased very little—from 106 pounds in 1956 to 110 pounds in 1961—so that the greater demand has expressed itself mostly in the form of higher retail prices. To supplement these inadequate supplies, German consumers have turned more and more to poultry.

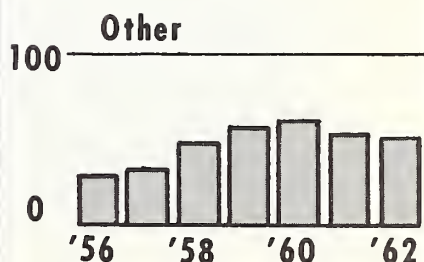
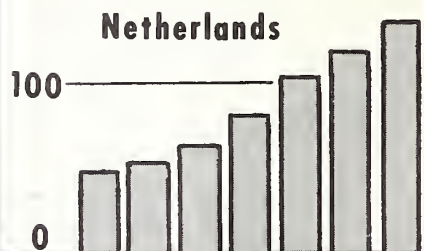
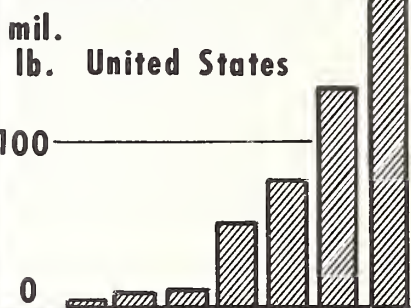
Farmers in Denmark and the Netherlands—traditionally the principal suppliers of poultry to Germany—expanded production sharply to meet the need, and so, of course, did German farmers. But all together they could not provide enough added supplies to keep up with the burgeoning demand. Thus, as soon as the West German Government relaxed its barriers against U.S. poultry in mid-1961 German importers began to buy increasing quantities.

The charts on this page show what has been happening. West German poultry-meat consumption went up from 236 million pounds in 1956 to 736 million in 1962. To provide for this tremendous increase, domestic production was stepped up from 154 million pounds to 260 million; imports from the Netherlands and Denmark together, from 50 million to 231 million; and imports from "other" countries (mostly Eastern Europe), from 29 million to 50 million. But there was still a gap every year. To fill it, German importers called upon supplies from the United States, and in the 7-year period their purchases of U.S. poultry rose from a modest 2.5 million pounds to 193 million.

L. M. Goreux, a noted FAO economist, has estimated that each 1-percent increase in West German consumer incomes pushes up the demand for poultry meat by 1.5 percent. Since per capita incomes have actually risen by about 8 percent each year since 1956, while population has grown by 4 million, it is not surprising that German poultry demand has surged far ahead of the supplies that could be produced in Europe.

The bulk of West Germany's poultry supply, however, still comes from its own farms and those of other European countries. In 1962, these farms furnished nearly three-fourths of the poultry that West Germans consumed; the United States, one-fourth.

WHERE THE IMPORTS COME FROM





VISITING TEAMS. *A Brazilian wheat team inspects test plots of hard red wheat at South Dakota State College. Good will and sales result from these U.S. tours.*

EDUCATION. *At a community center in Bogota, Nutritionist Irma Florez instructs group of Colombian housewives in how to improve family diets. Wheat is featured in the demonstrations, often in the form of pasta. Colombia grows wheat but is buying larger amounts from the U.S.*

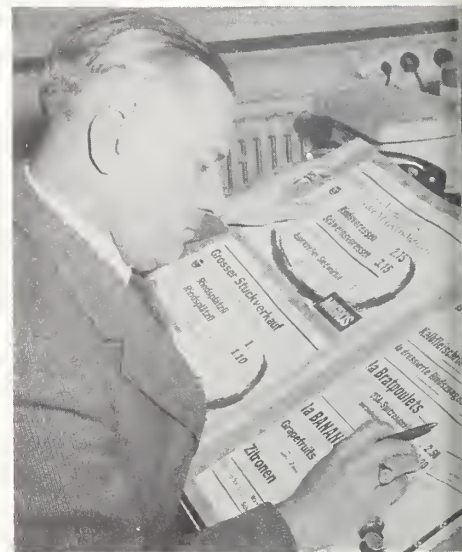


EXHIBITS. *Trade fairs are considered one of the best ways of introducing U.S. foods to prospective customers—as at Munich fair.*

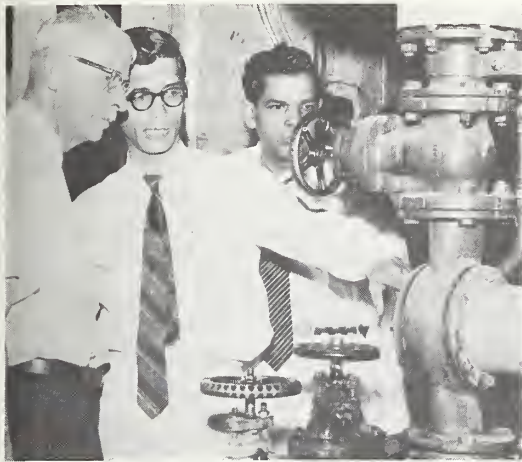
How U.S. Farm Products —techniques that are helping

Seven years ago the Foreign Agricultural Service, working with trade groups here and abroad, pioneered a program to open up and expand foreign markets for our agricultural products. Much had to be learned. Few U.S. food and fiber industries had ever done anything of this kind, and the foreign trade groups were just as inexperienced.

Today the program is well established. Marketing specialists are promoting the products of U.S. farms in foreign countries. They start by analyzing the market and its potential and, on the basis of their findings, adopt certain techniques that will help create a demand for the commodity. Some of the effective techniques used are shown here.



Promoted Abroad t our sales



POINT OF SALES PROMOTION. Customers at the Brussels department store, L'Innovation, dip into a bowl of canned cherries. The exhibit of U.S. foods resulted in sales somewhat over \$4 million.



TECHNICAL INFORMATION. Left, T. L. Bailey, U.S. cotton technologist, shows Bombay textile men how materials can be fireproofed. Above, in a Bombay vanaspati plant Dr. Edward M. Jones, technical consultant of the Soybean Council of America, advises on shortening manufacture.

MAKING NEWS. Queen Sirikit of Thailand, right, wears a U.S.-made cotton dress to greet the 1959 Maid of Cotton Malinda Berry. Mrs. U. Alexis Johnson, wife of U.S. Ambassador, is in center.

MASS COMMUNICATION. To publicize U.S. foods every type of media is used including posters, booklets, radio, TV. Here Max R. Gagliardi, buyer for Swiss store, looks over his newspaper ad featuring the sale of U.S. poultry.



Proposed Common Market Fats/Oils Tax Draws Strong Support and Opposition

Recent discussions in the Agricultural Committee of the European Parliament showed strong support for a tax on imported fats and oils as a part of the EEC's Dairy Policy. This would in effect subsidize butter at the expense of margarine.

Opposition to this position is coming from Dutch and German officials, the European fats and oils industry, and consumer groups, who object to increasing the price of margarine as an unjustified burden on the consuming public. Also pointed out was the effect of such an import tax on trade relations with non-EEC countries.

Fats and oil exports of the United States, a principal supplier to the EEC countries (between 100 million

pounds and 250 million annually of cottonseed oil and about 800 million pounds of soybean oil in the form of soybeans) would also be considerably affected. The United States maintains that such an import tax on soybeans would violate the GATT agreement on soybean tariffs imposed by EEC.

Currently proposed for inclusion in the EEC Market Regulation for Fats and Oils are: (1) to support butter prices by import levies on fats, oils and oilseeds; (2) a tax on fats to be partly used to support butter and domestic production of oils; (3) mixing butter with margarine for a limited period; and (4) an EEC butter price establish a price relationship between butter and margarine of 100:33.

Pact Between German Oil Millers And Soybean Council Extended

The Soybean Council of America, Inc., has just signed a 4-year extension of the country cooperative agreement with the German Oil Millers' Association. The agreement's goal is the promotion of soybean meal in livestock and poultry feeds.

Imports of soybeans by Association members are expected to hit 1.2 million tons within 2 years.

22 Countries Work Toward World Cocoa Accord At Rome Parley

Cocoa supply-management, price-quota arrangement, cocoa fund uses, and obstacles to trade were some of the key provisions discussed by the Executive Committee of the FAO Cocoa Study Group, which met in Rome recently. The next meeting is tentatively set for next month in Rome or Trinidad. The Study Group may request a U.N. Conference later in the summer to negotiate a pact.

Hog Cholera Strikes Canada; Over 1,300 Animals Destroyed

A new outbreak of hog cholera has been uncovered in the Ste. Hyacinthe area of Quebec, according to the Health of Animals Division of the Canada Department of Agriculture.

The disease—which affects swine only—has been found on 10 farms in the area, and 1,383 animals have had to be destroyed and buried. Canadian officials are probing the cause of the outbreak.

In a move to halt the disease's spread officials have imposed a quarantine on 4 auction barns. The restriction applies to the handling of feeder pigs; hogs destined for immediate slaughter in federally inspected plants are not affected. Meanwhile officials are tracing the movement of swine which may have been infected at the barns.

Canada's last outbreak of hog cholera—from mid-July to October last year—resulted in the slaughter of nearly 20,000 animals.

U.S., Spanish Frost Damage May Up World Orange Prices

Preliminary estimates indicate higher world prices for winter oranges may well follow this season's severe frost damage to winter orange crops of the world's two largest producers, the United States and Spain.

Unofficial reports from Spain, biggest supplier of citrus fruits to Europe, show a possible \$85 million citrus loss following the serious cold wave in Europe. Meanwhile, the first frost damage report out of Florida shows that fruit is more seriously damaged than in the 1957 freeze. Only 7 percent of early and midseason oranges showed no apparent damage, and about 32 percent of the Valencias. This will seriously reduce world orange juice supplies. Spain and the United States together had anticipated a 1962-63 orange crop of some 160 million boxes.

U.S. Farm Exports for 1962 To Hit \$5 Billion Again

U.S. farm exports for calendar 1962 continue at the \$5 billion mark, according to estimates based on 10 months' figures. About two-thirds of the exports were for dollars, the remainder moved under Food for Peace programs. Export leaders were wheat, feed grains, cotton, food fats and oils.

Italy, Canada Relax Restrictions On Imports From United States

As a result of the late 1962 GATT conference, Italy and Canada have removed, or relaxed, important restriction against imports from the United States, effective this month.

The new Italian concessions cover all products of export interest to the United States, except for fruit juice against which (not including grapefruit and pineapple) there is still an outright prohibition. Dollar import quotas for soybean oil and bulk raisins were increased by 20 percent. The United States will continue to press for removal of these few remaining Italian import restrictions. Canada has removed the artificial valuation for duty charges on potato imports.

CROPS AND MARKETS

Ontario Reopens Flue-Cured Auctions

Auction sales of flue-cured tobacco in Ontario, Canada resumed on December 17 after being closed since November 23.

Growers voted for a 2-cent deduction from the price of each pound of tobacco sold at auction, in order to accrue a fund of at least \$3.2 million so that the Tobacco Board could purchase and hold "no-sale" tobacco. Purchases would exclude the non-supported grades.

Estimates placed the quantity of "no-sale" 1961 crop flue-cured tobacco at 6-7 million pounds. Recent reports indicate that the Board still has this tobacco and indications are that the Board may purchase a minimum of 15 million pounds from the 1962 crop.

United Kingdom Imports More Lard

The United Kingdom imported 20 percent more lard in the first 10 months of 1962 than in the same period a year ago.

The United States continued to supply nearly 80 percent of the United Kingdom's lard imports. Practically all of the remainder came from Western Europe.

LARD: UNITED KINGDOM, IMPORTS BY COUNTRY OF ORIGIN, AND PERCENT OF TOTAL, JANUARY-OCTOBER 1961-62

Origin	Jan.-Oct. 1961		Jan.-Oct. 1962	
	Quantity	Percent of Total	Quantity	Percent of total
	1,000 pounds	Percent	1,000 pounds	Percent
United States.....	226,884	74.6	285,167	77.2
France	35,335	11.6	19,628	5.3
Belgium	9,444	3.1	18,558	5.0
Denmark	12,827	4.2	15,319	4.2
Poland	6,518	2.2	15,280	4.1
Netherlands	8,713	2.9	6,231	1.7
Germany, West	1,187	.4	4,527	1.2
Sweden	1,857	.6	3,719	1.0
Others	1,318	.4	887	.3
Total	304,083	100.0	369,316	100.0

Henry A. Lane & Co., Ltd.

Argentina Plants Less Sunflower

Substantial reductions in early sowings of Argentine sunflower seed are expected, especially in Santa Fe and Cordoba Provinces, where areas under cultivation may be no more than one-third last year's. Although substantial acreage now being harvested for small grains may later be sown to sunflowers, production of the latter probably will be down considerably from last year's high level of 948,000 short tons, from 3.3 million sown acres.

Corn acreage is expected to increase sharply, as prices of corn and of other coarse grains have risen sharply in

the last year, reflecting devaluation of the peso. By contrast, sunflower seed prices in September had fallen from those of the corresponding period of 1961, when they were unusually high because of short supplies. Sunflower oil is in general consumed domestically.

Another good peanut crop is expected, but it is doubtful that production will reach last year's record of 477,000 tons from 714,000 planted acres.

Belgium Imports Less Tobacco

Belgian imports of unmanufactured tobacco during the first half of 1962 totaled 29.3 million pounds—down 7.3 percent from the 31.6 million imported during January-June 1961. Reduced takings from all principal suppliers, except Turkey and Brazil, accounted for the decline.

Imports of U.S. leaf, at 7.1 million pounds, were 13.3 percent below the January-June 1961 level of 8.2 million pounds. Takings from the Rhodesia-Nyasaland, Italy, and India were down about 8 percent each, Greece, 15 percent.

TOBACCO, UNMANUFACTURED: BELGIUM,¹ IMPORTS BY COUNTRY OF ORIGIN, JANUARY-JUNE 1960-62

Origin	January-June		
	1960	1961	1962
	1,000 pounds	1,000 pounds	1,000 pounds
United States	8,894	8,174	7,090
Rhodesias-Nyasaland	3,078	3,080	2,843
India	1,111	2,248	2,060
Brazil	2,352	1,873	1,964
Dominican Republic	1,956	1,971	1,908
Greece	2,242	2,043	1,740
Netherlands ²	1,501	1,934	1,626
Indonesia	1,013	1,198	1,284
Turkey	569	854	1,184
Italy	681	627	575
Others	7,831	7,565	6,977
Total	31,228	31,567	29,251

¹ Includes Luxembourg. ² Reexports, mainly Indonesian leaf. *Bulletin Mensuel du Commerce*, June 1962.

Chile Produces Less Cigarettes

Cigarette output in Chile during 1962 is reportedly forecast at 6,400 million pieces—down 2.1 percent from the 1961 high of 6,537 million. Production of cigars is expected to be slightly under the 1 million pieces produced last year. Output of smoking tobacco is expected to be about 8 percent below the 1961 level of 295,000 pounds.

Ceylon To Market Instant Tea

Ceylon, the world's second largest tea producer, has developed a new instant tea made directly from the green leaf rather than from manufactured black tea. It is reported that the tea is an easily dissolved powder which leaves no residue and meets the highest taste standards.

The new tea is to be marketed under the name "Ceytea" and will enter world trade as soon as the production capacity is considered adequate for trade purposes.

Norway's Cotton Activity Holds

Activity in the cotton industry in Norway in 1962-63 now appears likely to be maintained at rates close to last season. However, imports could ease slightly in view of the relatively large beginning stocks.

Cotton imports in 1961-62 totaled 21,000 bales (500 pounds gross), slightly lower than the 1960-61 intake of 22,000 bales. The United States supplies by far the largest part of Norway's cotton although the U. S. share fell last season. This country supplied 14,000 bales or two-thirds of Norway's total imports in 1961-62, compared with 16,000 bales or nearly three-fourths of the total a year earlier. Most of the rest of Norway's imports come from Guatemala, Mexico, and Brazil.

Consumption last season of 21,000 bales equaled the previous season's use. Norway was able to maintain cotton consumption in 1961-62 despite strong competition from man-made fibers both at home and in export markets. Last season, consumption of manmade fibers in Norwegian textile mills was more than three times as large as raw cotton use.

Stocks this season likely will fall below the beginning carryover of 6,000 bales, if, as may happen, imports do not equal consumption.

U.S. Exports of Fats and Oils in October

U.S. soybean exports in October, the first month of the 1962-63 marketing year, reached a near-record monthly volume, and those of oilseed cakes and meals far exceeded the previous month's tonnage as well as that of October 1961. However, exports of edible oil (soybean and cottonseed) declined sharply.

October soybean exports at 22.4 million bushels were over three times the September volume, and exceeded October 1961 levels by 8 percent. Major markets in October were: Japan 23 percent; the Netherlands 20 percent; Canada 19 percent; West Germany 9 percent; and Italy 6 percent.

Exports of edible oils declined to 78 million pounds, 40 percent less than in September and 27 percent less than in the comparable month of 1961. Soybean oil exports dropped to roughly one-half the September volume, but were moderately larger than in October 1961. Most of the October soybean oil went to: Spain 41 percent; Chile 31 percent; Israel 13 percent; and Hong Kong 8 percent.

Cottonseed oil exports, although one-third larger than in September, were almost three-fourths smaller than in October 1961. Major quantities went to: Japan 30 percent; West Germany 24 percent; and Venezuela and Canada 22 percent each.

Exports of oilseed cakes and meals, largely soybean meal, amounted to 127,900 short tons in October. This quantity represents a 50 percent increase from the tonnage shipped in September and was slightly more than double the quantity exported in October 1961.

Soybean meal shipments rose sharply in October. Major destinations were: Canada 24 percent; the Netherlands 23 percent; France 21 percent; Belgium-Luxembourg

9 percent; Denmark and West Germany 7 percent each. Shipments of cottonseed and linseed cakes and meals, accounting for about one-fifth of the total, dropped sharply from the high levels attained in September. Even so, these were far greater than the small quantities which had been exported in October 1961.

SOYBEANS, EDIBLE OILS, AND OILSEED CAKE AND MEALS: U.S. EXPORTS, CROP YEARS 1960 AND 1961 AND OCTOBER 1961 AND 1962

Item	Unit	Year beginning October		October	
		1960 ¹	1961 ¹	1961 ¹	1962 ¹
<i>Soybeans</i>	Mil. bu.	130.1	153.2	20.7	22.4
Oil equivalent.....	Mil. lb.	1,428.1	1,681.6	227.7	245.9
Meal equivalent.....	1,000 tons	3,056.5	3,599.1	487.3	526.3
<i>Edible oils</i>					
<i>Soybean:</i>					
Commercial ²	Mil. lb.	700.4	1,124.0	55.5	54.1
Foreign donations ³	Mil. lb.	20.1	180.8	4.7	10.6
<i>Cottonseed:</i>					
Commercial ²	Mil. lb.	355.8	391.0	43.7	7.9
Foreign donations ³	Mil. lb.	13.4	79.7	3.6	5.6
Total.....	Mil. lb.	1,089.7	1,775.5	107.5	78.2
<i>Cakes and meals</i>					
Soybean.....	1,000 tons	589.7	1,073.7	60.5	101.6
Cottonseed.....	1,000 tons	46.0	25.7	.3	12.4
Linseed.....	1,000 tons	31.0	28.2	2.4	13.9
Total ⁴	1,000 tons	670.7	1,127.9	63.2	127.9

¹ Preliminary. ² Compiled from records of the Bureau of Census; includes Titles I and II, P.L. 480. ³ Title III, P.L. 480. ⁴ Revised to exclude Title II, P.L. 480, which are included in Bureau of the Census data. Title II figures, formerly included under "Foreign Donations," but which should not have been, are as follows (in pounds): 1960-61: June—573,053; September 76,000 (total 649,053). 1961-62: January 1,741,500; February 1,609,020; March 649,980; April 1,898,331; May 1,774,669; June 1,118,740; July 35,280; August 1,354,444; and September 2,369,367 (total 12,551,331). ⁵ 1960-61: June 143,263; and September 19,000 (total 162,263). 1961-62: December 3,525,290; April 727,535; May 1,068,980; June 401,010; July 8,820; and August 7,934 (total 5,739,569). ⁶ Includes peanut cake and meal and small quantities of other cakes and meals.

Compiled from records of the Bureau of Census and U.S.D.A. estimates.

Japan Conducts Burley Tests in Hokkaido

The Japanese Government has been conducting experimental tests on burley production in Hokkaido. This is the northernmost island of Japan, where the growing season is very short.

Preliminary results of tests concluded last year appear to be very promising. The quality of leaf was reported good and was claimed to be comparable to American and Canadian leaf.

The government, reportedly, plans to continue the tests in Hokkaido for two more years before commercial production will be undertaken.

Japan To Import More Beef

For the 6-month period ending March 31, 1963, the Japanese Ministry of Agriculture initially allocated enough foreign exchange to import 3,000 metric tons of beef. However, as a result of current high prices, the govern-

ment is considering a supplemental allocation to allow an additional 2,000 metric tons to be imported during Japan's current fiscal period. The previous allocation included 2,100 tons for fresh beef marketing channels, 600 tons for meat processors, and 300 tons for meat canners.

Wholesale prices of the best steer beef in Tokyo have been as high as 50 cents per pound, and prices of frozen beef imported from Australia have averaged about 25 cents per pound. Prices are expected to continue high in Japan.

During calendar 1961, Japan imported a total of 5,360 metric tons of beef including 2,743 from Australia, 2,586 from New Zealand, and 31 from other sources. During the first 9 months of 1962 Japan imported from all areas a total of 3,994 metric tons.

Tunisian Tobacco Harvest Revised Down

Tunisia's 1962 tobacco harvest is now placed at 1.5 million pounds, compared with an earlier estimate of 4.7 million. The downward revision was the result of extensive blue mold damage which affected particularly the "arbi" variety. Also, the effects of blue mold damage on the 1961 crop caused both a reduction in the number of growers and in planted acreage during 1962. Currently, measures taken by the Tunisian Government to encourage growers to resume production are projected price increases for the 1963 crop and the equipping of a special service to cope with blue mold at government expense.

India's Tobacco Harvests Up and Rising

India's 1962 tobacco harvest is now placed at 759.4 million pounds, or about 10 percent greater than the 1961 harvest of 687.7 million. The increase is reportedly caused by an expansion in planted acreage and a favorable growing season.

The average yield of 741 pounds per acre set a new high. This is attributed to both favorable weather and the introduction of improved varieties of hookah and bidi tobacco by the Indian Central Tobacco Committee.

Flue-cured production is now placed at 164 million pounds from 239,000 acres, compared with the 1961 harvest of 155 million from 221,000 acres. Quality of both crops was reported generally good.

Planting of the 1962-63 crop is expected to be completed in the next few weeks. Encouraged by the increased export demand for flue-cured, growers have devoted larger areas to this type of tobacco and built a number of new flue-curing barns. If favorable weather continues, the 1963 harvest is expected to be larger than the 1962 crop.

U.S. Exports Less Hides and Skins

U.S. exports of cattle hides for the first 9 months of 1962 were about 5 percent below those of the same period a year ago. Increased purchases by the Netherlands and the Soviet Union were offset by reduced buying by West Germany, Turkey, and Italy, while exports to Japan remained

at about the same level as in 1961.

Calfskin exports were down 20 percent. Of the major markets, only Japan took more than in the previous years. Canada, the Netherlands, Italy, the United Kingdom, and Switzerland took less.

Kipskin exports were off 40 percent; practically all markets took less.

Exports of sheep and lamb skins were down 10 percent. Canada and the United Kingdom accounted for most of the decline.

HIDES AND SKINS: U.S. EXPORTS BY COUNTRY OF DESTINATION, ANNUAL 1959-61, JANUARY-SEPTEMBER 1961-62

Destination	Annual			Jan.-Sept.	
	1959	1960	1961	1961	1962
	<i>1,000 pieces</i>	<i>1,000 pieces</i>	<i>1,000 pieces</i>	<i>1,000 pieces</i>	<i>1,000 pieces</i>
Cattle hides:					
Japan	1,083	2,392	3,174	2,291	2,268
Netherlands	568	1,280	738	591	760
Germany, West	629	631	774	571	413
Mexico	503	564	461	386	318
Canada	591	504	706	536	467
U.S.S.R.	14	298	0	0	171
Turkey	137	217	345	263	81
Italy	60	162	186	168	48
Poland	92	85	36	35	7
Yugoslavia	139	80	273	88	109
United Kingdom	47	58	57	52	32
Others	292	618	889	645	662
Total	4,155	6,889	7,639	5,626	5,336
Calfskins:					
Canada	573	552	496	377	244
Japan	178	321	458	373	482
Italy	205	266	345	315	184
Netherlands	129	156	152	120	75
Germany, West	150	115	174	137	144
United Kingdom	13	75	120	113	49
Switzerland	26	64	145	137	46
France	24	13	26	21	21
Others	116	85	76	43	79
Total	1,414	1,647	1,992	1,636	1,324
Kipskins:					
Germany, West	128	142	158	124	108
Japan	95	123	142	125	74
Netherlands	127	55	71	68	6
Belgium	23	23	11	10	0
United Kingdom	4	16	8	8	2
Canada	4	5	69	23	33
Others	102	118	97	66	28
Total	483	482	556	424	251
Sheep and lamb ¹:					
Canada	799	946	710	574	479
United Kingdom	606	628	753	599	470
Mexico	131	153	52	42	35
Sweden	120	105	128	86	44
France	9	25	28	20	47
Germany, West	37	16	25	25	12
Others	225	484	720	464	535
Total	1,927	2,357	2,416	1,810	1,622

¹ Includes goat skins.

Bureau of the Census.

Belgium Permits Poultry in Plastic Bags

The Belgian Minister of Agriculture stated on December 18, 1962, that the metal wingtag requirement on frozen turkeys and other slaughtered poultry has been waived. Frozen poultry may now be imported into Belgium in plastic bags indicating country of origin and USDA seal.

Australian Meat Shipments to U.S.

Six ships left Australia the last week of November and the first 2 weeks of December with 20,448,960 pounds of beef, 6,142,080 pounds of mutton, 1,404,480 pounds of lamb and 29,120 of variety meats for the United States.

Ship	Sailing date	Destination ¹	Arrival date	Cargo	Quantity
<i>Eastern and Gulf ports:</i>					
Aden	Nov. 30	Charleston	Dec. 25	Beef	934,080
	do.	do.	do.	Var. meats	6,720
	do.	Norfolk	do. 30	Beef	226,240
	do.	New York	Jan. 1	do.	5,698,560
	do.	do.	do.	Mutton	253,120
	do.	do.	do.	Lamb	20,160
	do.	Philadelphia	do. 9	Beef	331,520
	do.	do.	do.	Mutton	120,960
	do.	Boston	do. 11	Beef	284,480
	do.	do.	do.	Mutton	100,800
	do.	do.	do.	Var. meats	6,720
Baltic Sea...	Dec. 4	Charleston	Dec. 31	Beef	324,800
	do.	do.	do.	Mutton	302,400
	do.	Philadelphia	Jan 2	Beef	766,080
	do.	do.	do.	Mutton	425,600
	do.	New York	do. 4	Beef	4,468,800
	do.	do.	do.	Mutton	1,227,520
	do.	do.	do.	Lamb	47,040
	do.	Boston	do. 7	Beef	624,960
	do.	do.	do.	Mutton	147,840
	do.	do.	do.	Lamb	56,000
	do.	do.	do.	Var. meats	4,480
<i>Port St.</i>					
Lawrence	do. 7	Charleston	Dec. 29	Beef	67,200
	do.	do.	do.	Mutton	24,640
	do.	Norfolk	Jan. 1	Beef	297,920
	do.	Boston	do. 5	do.	752,640
	do.	do.	do.	Mutton	560,000
	do.	do.	do.	Lamb	340,480
	do.	New York	do. 11	Beef	2,688,000
	do.	do.	do.	Mutton	1,592,640
	do.	do.	do.	Lamb	768,320
	do.	do.	do.	Var. meats	11,200
	do.	Philadelphia	do. 14	Beef	230,720
	do.	do.	do.	Mutton	582,400
	do.	do.	do.	Lamb	172,480
Whangaroa ...	do. 8	Houston	do. 6	Beef	844,480
	do.	do.	do.	Mutton	593,600
	do.	New Orleans	do. 11	Beef	266,560
	do.	do.	do.	Mutton	33,600
	do.	Charleston	do. 17	Beef	33,600
	do.	do.	do.	Mutton	44,800
	do.	Boston	do. 21	Beef	2,240
	do.	do.	do.	Mutton	31,360
	do.	New York	do. 24	Beef	826,560
	do.	do.	do.	Mutton	33,600
	do.	Philadelphia	do. 29	Beef	64,960
<i>Western ports:</i>					
Arcadia	Dec. 7	San Francisco	Dec. 26	Beef	33,600
	do.	Los Angeles	28	do.	134,400
Anna					
Bakke.....	10	Seattle	Jan. 27	do.	143,360
		Portland	30	do.	192,640
		Los Angeles	Feb. 12	do.	165,760
		do.		Mutton	67,200
		San Francisco	16	Beef	44,800

¹ Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale.

1961-62 Pecan Exports Hit Postwar High

U.S. pecan exports in the marketing season October 1961 through September 1962 were the largest since 1945-46. They consisted of 1,050,000 pounds of unshelled and 1,318,000 pounds of shelled pecans, with a total value of \$1,421,000.

The record-large 1961 crop and the consequent low prices stimulated foreign interest in U.S. pecans. Purchases by Canada, by far the main export outlet for U.S. pecans, were larger than in previous years, but the most striking increase was in European purchases, which expanded from 156,000 pounds of unshelled and 24,000 pounds of shelled pecans in 1960-61 to 446,000 and 63,000 pounds, respectively, in 1961-62. The leading European buyers in 1961-62 were the United Kingdom, the Netherlands, and Sweden, taking 217,000, 129,000, and 53,000 pounds, respectively, of unshelled pecans.

In the current season, however, owing to a short 1962 crop and the high prices resulting, U.S. export sales will be sharply reduced.

Canada Expects Record Soybean Crush

Canadian oilseed crushers may crush a record 17.5 million bushels of soybeans during the 1962-63 season (October-September) compared with 17.2 million in 1961-62. If this estimate is reached, record imports of at least 14 million bushels of U.S. soybeans would be needed. Imports during 1961-62 are tentatively estimated at a record 13.3 million bushels. Soybean exports during 1961-62, almost entirely to the United Kingdom, were an alltime high of 3.1 million bushels.

Expectations of a record crush stem from a strong demand for soybean meal by both the domestic and export trade. Demand should continue good as prices for livestock and poultry are favorable and are expected to remain firm during the first half of 1963. Soybean meal imports in 1961-62 are tentatively estimated at a new record of about 235,000 short tons.

Canada's domestic demand for soybean oil is somewhat stronger than last year. However, total use of vegetable oils has been slightly below 1961. While consumption of coconut, palm, and cottonseed oils has been running below a year ago, use of rapeseed oil in margarine and shortening has nearly doubled in recent months and the use of fish oil (principally herring oil) has been nearly 50 percent above last year. Margarine consumption has not been increasing because of the 12 cent-per-pound consumer subsidy which the government has been paying on butter since May 1, 1962. Soybean oil imports are expected to continue at a relatively low level as was the case a year ago, because of increased domestic production.

Australian Cigarette Manufacture Gains

Cigarette output in Australia during the first 9 months of 1962 totaled 14.4 billion pieces—up about 5 percent from the 13.8 billion produced in January-September 1961. Most of the increase over the year before occurred in the third quarter; whereas, the first two quarters approximated those for the previous year. If the rate of output continued through the fourth quarter, production for calendar year 1962 probably approached 19.6 billion pieces, compared with 18.1 billion in calendar 1961.

Marine Oil Production Up 2 Percent

World production of marine oil in 1962, excluding seal oil, reached an estimated 1,240,500 short tons, up some 2 percent from the previous year. The moderate increases in sperm and fish and fish liver oil more than offset an estimated 8-percent decline in the output of baleen whale oil. Production in 1961 and 1962 follows:

Item	1961 <i>1,000 short tons</i>	1962 ¹ <i>1,000 short tons</i>
Whale oil	427.7	394.5
Sperm oil	119.9	126.0
Fish & fish liver oil.....	667.1	720.0
Total	1,214.7	1,240.5

¹ Preliminary.

The production of seal oil in 1962 is estimated at 5,100 tons compared with an estimated 5,300 tons which had been produced in 1961.

Colombia Increases Coffee Exchange Rate

Colombia has recently raised the exchange rate for the coffee export dollar to 7.10 pesos. The rate for sales of foreign exchange from coffee exports had previously been 6.50 pesos to the U.S. dollar.

Japan's Soybean Estimates Revised Down

Japan's 1962 soybean production was 12,338,410 bushels from 656,000 planted acres, according to the final official estimates released on December 21. These estimates reflect downward revisions from earlier estimates of 9 percent in production and 2 percent in acreage and declines from 1961 of 13 percent and 7 percent, respectively. In Hokkaido, the main producing area, the crop was damaged by two typhoons in August and by high precipitation, low temperature, and below-normal sunshine from late August to early September.

The plan to lower the import tariff on soybeans and to liberalize imported soybean oil and meal is still under discussion. Originally scheduled for October 1, 1962, action was expected to be postponed to at least April 1963.

Danes Export More Cheese, Less Butter

In the first 10 months of 1962, Denmark exported 210 million pounds of butter, or 5 percent less than in the same period of 1961. Shipments to the United Kingdom of 182 million pounds were the same in both years. Sales to all minor markets were down sharply from 1961, except those to West Germany, which increased slightly.

Danish exports of cheese during the same period rose 6 percent to 151 million pounds. Shipments to West Germany, the principal outlet, were up 3 percent to 72 million pounds. Sales to several smaller markets, among them Italy and Sweden, were higher in this period. On the other hand, shipments to the United Kingdom were down to 17 million pounds, 2 million pounds less than the year before. Exports to East Germany also declined,

amounting to 5 million pounds, down 3 million pounds from 1961.

Mexico Diversifies Coffee Lands

The Mexican Coffee Institute has authorized credits for more than 4 million pesos (\$32,000) to increase rubber production and diversify 60,000 hectares (150,000 acres) of low-producing coffee plantations. Through October 1962, 12,000 hectares of coffee land had been diverted to other crops.

The credit is to be devoted entirely to rubber plantings which are programmed for 20,000 hectares. An additional 40,000 hectares are to be planted in corn, beans, spices, and fruit trees.

Greeks To Export Currants for Alcohol

The Autonomous Currant Organization (ASO) of Greece has reportedly concluded an agreement to ship 11,000 short tons of dried currants to West Germany where they will be used for industrial purposes, probably for making alcohol.

The price is said to be \$85 per short ton, ex-ASO warehouse. Some of the currants are believed to be from the 1961 crop.

The 1962 Greek dried currant crop, estimated at 120,000 short tons, was much larger than average, and larger than the normal prospective exports which represent the primary market for Greek dried currants.

Antarctic Whaling Season Underway

The 1962-63 Antarctic whaling season began on December 12, 1962, with a total of 17 expeditions and 209 catchers as compared with 21 expeditions and 269 catchers participating in the 1961-62 season. A smaller outturn of both whale and sperm oil is anticipated.

During the 1961-62 season 15,252.6 blue whale units and 4,950 sperm whales were caught, yielding 345,289 short tons of whale oil and 39,894 tons of sperm oil, respectively. The latter figure includes 685 tons of sperm oil produced in the South Atlantic Ocean on the voyage to the Antarctic whaling grounds.

Mauritius Expands Its Tea Acreage

Mauritius, an island in the Indian Ocean, is moving ahead with its tea development scheme. According to plans, 2,086 acres of tea are to be planted before 1966, and eventually they will be leased to tenants as established tea lands.

Tea-planting lagged in 1961; however, by the end of that year 4,488 acres were under cultivation, a 25-percent increase over 1958. Also, tea production that year was 2.8 million pounds, compared with 1.9 million in 1959, and exports amounted to 1.7 million pounds. Most of Mauritius' tea goes to the United Kingdom.

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